



January 27, 2000

The Honorable Robert M. Hertzberg, Chair
Joint Rules Committee
State Capitol, Room 319
Sacramento, CA 95814

Dear Assembly Member Hertzberg:

Pursuant to the requirements of Government Code Section 8169.5, the Department of General Services is submitting the January 2000, quarterly report on the Capitol Area East End Complex.

If you have any questions or require additional information regarding the Capitol Area East End Complex, please call Mike Courtney, Acting Deputy Director, Real Estate Services Division, at (916) 322-7034.

Sincerely,

CLIFF ALLENBY, Interim Director
Department of General Services

CL:MKH:kw:jrc cover ltr jan 00

Enclosure

cc: See attached distribution list
Mike Courtney, Acting Deputy Director, Real Estate Services Division, Department of General Services
Peg Hudson, Chief, Project Management Branch, Real Estate Services Division, Department of General Services

Capitol Area East End Complex
Quarterly Joint Rules Committee Report – pursuant to 3-25-99 JRC recommendations
LEGISLATIVE REPORT LISTING

ORIGINAL LETTER TO EACH OF THE FOLLOWING:

The Honorable Robert M. Hertzberg, Chair
Joint Rules Committee
State Capitol, Room 319
Sacramento, CA 95814
(1 original + 22 copies)

The Honorable Patrick Johnston
Member of the Senate
State Capitol, Room 5066
Sacramento, CA 95814
(1 original)

The Honorable Deborah Ortiz
Member of the Senate
State Capitol, Room 4032
Sacramento, CA 95814
(1 original)

Mr. Bion M. Gregory
Legislative Counsel
State Capitol, Room 3021, B-30
Sacramento, CA 95814
(1 original)

Mr. E. Dotson Wilson
Chief Clerk of the Assembly
State Capitol, Room 3196, E-24
Sacramento, CA 95814
(1 original)

Mr. Gregory Palmer Schmidt
Secretary of the Senate
State Capitol, Room 3044, E-22
Sacramento, CA 95814
(1 original)

Mr. Jonathan Waldie, Chief Administrative Officer
Joint Rules Committee
State Capitol, Room 3016
Sacramento, CA 95814
(1 original)

Ms. Elizabeth G. Hill
Legislative Analyst
925 L Street, Suite 1000, B-29
Sacramento, CA 95814
(1 original)

COPY OF LEGISLATIVE COUNCIL'S LETTER TO EACH OF THE FOLLOWING:

Michael J. Gotch, Legislative Secretary
Office of the Governor
State Capitol, First Floor, E-15
Sacramento, CA 95814
(1 copy)

Happy Chastain, Deputy Secretary-Legislation
State and Consumer Services Agency
915 Capitol Mall, Room 200, C-14
Sacramento, CA 95814
(1 copy)

Fred Klass, Program Budget Manager
Department of Finance
915 L Street, A-15
Sacramento, CA 95814
(1 copy)

Karen L. Neuwald, Assistant Director-Legislation
Department of General Services
1325 J Street, Suite 1910, C-1
Sacramento, CA 95814
(1 copy)

Cec Wallin, Budget and Planning Officer
Office of Fiscal Services
1325 J Street, Suite 1600, C-18
Sacramento, CA 95814
(1 copy)

Office of Legislative Counsel
Attention: Indexing Division
925 L Street, Suite 1150, B-30
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Originating Office

REVISED 12/20/99 East End Quarterly JRC Report

Capitol Area East End Complex Cumulative Quarterly Report to the Joint Rules Committee

**Pursuant to Government Code Section 8169.5
(Chapter 625, Statutes of 1999)**

January, 2000

Department of General Services

Cliff Allenby, Interim Director

Michael Courtney, Acting Deputy Director

Real Estate Services Division

Project Management Branch

Margaret K. Hudson, Chief

Richard Teramoto, Project Executive

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EXHIBITS

Exhibit A – Executive Summary, Selection Committee's Decision

LEGEND OF ABBREVIATIONS

Air Resources Board	ARB
Capitol Area Development Authority	CADA
California Energy Commission	CEC
California Integrated Waste Management Board	CIWMB
Department of Finance	DOF
Department of General Services	DGS
Department of Health Services	DHS
Joint Rules Committee	JRC
Legislative Analyst's Office	LAO
Letter of Understanding	LOU
Request for Proposal	RFP
Request for Qualifications	RFQ
Sacramento Municipal Utility District	SMUD
Technical Evaluation Committee	TEC

I. Introduction

The enabling legislation for the Capitol Area East End Complex, Government Code Section 8169.5 (Chapter 761, Statutes of 1997 (SB 1270, Johnston)), authorized the JRC to review the DGS's plan and the LAO report to consider whether to recommend to the DGS any changes in the site design criteria, performance criteria, specifications or criteria for determining the winning bidders. Pursuant to the requirements of Government Code Section 8169.5 (Chapter 625, Statutes of 1999 (AB 883, Joint Committee on Rules)), provided herein is a cumulative quarterly progress report on the Capitol Area East End Complex. Only exhibits relative to the current report are included. This report can be viewed on the DGS Website at: <http://www.legi.dgs.ca.gov/default.asp?mp=../Publications/main.asp>.

To ensure the intent of the March 25, 1999, JRC Recommendations are satisfied, the DGS has signed a LOU with the other agencies the JRC requested DGS to consult. A copy of the LOU was provided in both the July and October, 1999 reports. Pursuant to the LOU, a draft of this report was provided to the CEC, CIWMB, DHS, ARB. Comments were received and incorporated to the extent practicable. Although the DGS did not incorporate all comments, the department did not have issue with any comment received.

1. Design/Build Method

The Joint Rules Committee finds that use of the design-build method for the East End Project was authorized by the enabling legislation. It is incumbent upon DGS to meet the efficiency and sustainability criteria outlined below to offset concerns about design-build. The Committee, therefore, will periodically review progress of the East End Project in order to ensure these goals are met.

This quarterly report is provided to allow the committee to review the DGS progress as required by Government Code Section 8169.5.

2. RFP and RFQ Evaluation Criteria

The Committee finds DGS should continue to work with the LAO to make the proposed evaluation criteria for the issuance of RFQs and RFPs more objective. The Committee will periodically review the RFP and RFQ criteria to ensure that the agreed upon specifications related to green construction, energy efficiency and sustainable design suggested by the CIWMB, CEC, [DHS, and ARB] and others are incorporated and meet the articulated goals.

Jan 00 The DGS met with the LAO on two occasions and reached final accord with the RFP evaluation and selection process and criteria that included the CEC, CIWMB, DHS, and ARB's desired weighting of the scores and criteria, which represented approximately 20 percent of the total scoring. The evaluation criteria included the following categories: Certification of the Stipulated Sum as prerequisite to further evaluation of the proposal; Designated Subcontractors; Design and Construction Management Plan; Small Business/DVBE Utilization Plan; Building Systems Description; and Quality Enhancements.

The design/build teams submitted their draft proposals on October 14, 1999. The draft proposals were distributed to the TEC on October 18, 1999. Final

proposals were received on November 8, 1999, for the Block 225 Office Building Project and November 10, 1999, for the Blocks 171-174 Office Building Project. On November 16, 1999, the TEC completed their evaluation and arrived at consensus scores. On November 22, 1999, the TEC issued their report to the Selection Committee.

On November 29, 1999, the Selection Committee conducted interviews with each of the three design/build teams for the Block 225 Office Building Project. A briefing from the TEC on their findings preceded the interviews. The TEC summarized their report and answered questions by the Selection Committee. Several members of the TEC were then invited to serve as observers during the interviews and provided input as requested during the Selection Committee deliberations. Each of the design/build teams were afforded one hour to present their proposals and participated in a question and answer session for the final half-hour. At the conclusion of the final interviews, the Selection Committee deliberated the presentations, reviewed the submitted proposals and TEC evaluations, and formed a consensus choice as to which team represented the best value to the State of California.

On November 30, 1999, the Selection Committee conducted interviews with each of the three design/build teams pre-qualified to submit proposals for the Blocks 171-174 Office Building Project. The same format as above was utilized.

On December 6, 1999, Hensel Phelps Construction (Block 225) and Clark/Gruen Design/Build, Inc. (Blocks 171-174) were notified they were the selected teams to complete the design and construct the projects. The press release was issued on December 7, 1999

<http://www.dgs.ca.gov/default.asp?mp=../news/main.asp>.

The executive summary of the Selection Committee's decision and a list of the quality enhancements from the two successful design/build proposals are attached as Exhibit A.

Oct 99 The CEC, CIWMB, DHS, and ARB have reviewed the initial RFP selection process and criteria. The DGS anticipates two additional meetings with the LAO to reach final accord with the RFP selection process and criteria.

This group anticipates continuous review of the Projects' energy efficiency and sustainable design features in the criteria, specifications, and drawings.

The design/build teams competing for the Block 225 project, the $\frac{3}{4}$ block site bounded by 14th and 15th Streets, between N and O Streets include:

- Rudolph and Sletten Construction with Erlich-Rominger Architects
- J.R. Roberts Construction with Nacht and Lewis Architects and McCuen Properties
- Hensel Phelps Construction with Fentress Bradburn Architects, and Dreyfus & Blackford Architects

The design/build teams competing for the Blocks 171-174 project, the blocks within 15th and 17th Streets, between L and N Streets include:

- Clark/Gruen Design/Build, Inc.
- DPR Construction with McCuen Properties and Gensler Architects
- Hathaway Dinwiddie Construction with DMJM Architects

Each team is now preparing the design/build proposals to be submitted to the DGS in early October with final selections scheduled for December, 1999.

A TEC comprised of the project design team, representatives of the CEC, CIWMB, DHS, ARB and the Division of the State Architect will evaluate the proposals and submit a Technical Report to the Selection Committee. The Selection Committee will conduct final interviews and select a design/build team for each of the projects.

Jul 99 Agreement has been reached for the RFQ selection criteria. The DGS has met on three occasions with the LAO and anticipates two additional meetings to reach final accord with the LAO on the RFQ and RFP selection process.

The DGS, CEC, CIWMB, DHS, and ARB came to consensus regarding the information that comprised the RFQ. The RFQ was issued (made available to the public) on April 26, 1999. A copy of the RFQs can be viewed and printed via the Internet at: www.dgs.ca.gov/resd. The DGS, CEC, CIWMB, DHS, and ARB are continuing to review the Projects' energy efficiency and sustainable design features in the criteria, specifications, and drawings. This group will determine by consensus which suggested items should be incorporated into the projects based upon savings over the life of the building, rather than based solely upon up-front costs while maintaining the Projects' budgets.

3. Periodic Updates

The Committee requests DGS provide the Committee with quarterly updates to assist in monitoring the development of the RFP and RFQ selection criteria.

Jan 00 As the RFQ and RFP selection process is complete and reported herein, this item will no longer be addressed in future reports.

4. Coordination with State Environmental Agencies

The Committee recommends that DGS implement appropriate energy efficiency and sustainability measures throughout the design and build process, including, but not limited to, adherence to the RFP and RFQ guidelines supplied by CEC, CIWMB, ARB and DHS.

Jan 00 Draft proposals from each of the six design/build teams were received on October 14, 1999, and distributed on October 18, 1999, to the CEC, CIWMB, DHS, and ARB for their evaluation as members of the Technical Evaluation Committee. Their charge was to evaluate and score each proposal on the following: waste management plan; building performance assurance plan; building systems description's energy efficiency and sustainable design measures for overall performance of the systems in energy efficiency, sustainable measures including recycling and resource conservation, indoor air quality, alternative energy technologies, and other factors; and the proposed quality enhancements for sustainable design measures.

The DGS, CEC, CIWMB, DHS, and ARB met on November 16, 1999, and arrived at consensus scores.

Oct 99 Since the issuance of the RFP to the selected Design/Builders (July 30, 1999), the DGS, CEC, CIWMB, DHS, and ARB met on the following date(s):

- August 17, 1999 – General discussion of RFP evaluation and presentation schedule and the role of the Technical Evaluation Committee.
- Meeting minutes are attached as Exhibit B.

Jul 99 The DGS continues to meet with the CEC, CIWMB, DHS, and ARB to review the Projects' energy efficiency and sustainable design features of the design criteria, specifications, and drawings.

- The CEC, CIWMB, DHS, ARB, and DGS staff have met on the following dates:
 - March 18, 1999
 - March 30, 1999
 - March 31, 1999
 - April 7, 1999
 - April 12, 1999
 - April 14, 1999
 - April 21, 1999
 - April 28, 1999
 - May 5, 1999 (special day-long conference)
 - May 19, 1999
 - May 26, 1999
 - June 2, 1999
 - June 9, 1999
 - June 16, 1999
 - June 23, 1999
- April 7, 1999 – the DGS held an orientation meeting to review the current design's sustainable design features.

- Besides weekly meetings, the Design Team held a special day-long conference with the CEC, CIWMB, DHS, ARB and their consultants to review and discuss the current design and suggested modifications to the Criteria Documents (May 5, 1999).
- May 14, 1999 – Deadline for final comments and suggested modifications to the Criteria Documents from the CEC, CIWMB, DHS, and ARB, and their consultants.
- May 14, 1999 – Final comments were received and consisted of suggested modifications to the Criteria Documents, reference material, and product information.
- May 26, 1999 – the DGS, CEC, CIWMB, DHS, and ARB and their consultants met to review the status of the responses to the comments submitted on May 14, 1999. A copy of the consolidated Sustainable Design Measure/Action List is attached as Exhibit B.
- June 2, 1999 – An additional comprehensive review meeting was held.
- June 16, 1999 – General consensus with the DGS, CEC, CIWMB, DHS, and ARB was reached on modifications.
- June 23, 1999 – A final review meeting was held discussing the fine-tuning of the RFP documents and focusing on the commissioning process.
- Meeting minutes are attached as Exhibit C.

5. SMUD Proposal

The Committee recommends DGS give full consideration to the SMUD proposal for a heating and cooling system within the project, in keeping with energy efficiency goals.

Jan 00 **The DGS continued to review fundamental design, capital cost, and operating cost issues discussed at the August 19, 1999, meeting. On September 29, 1999, SMUD notified the DGS by letter that it was withdrawing the proposal to provide a district heating and cooling system for the East End Complex. SMUD stated that the respective positions on these issues could not be resolved.**

Oct 99 A meeting on August 19, 1999, was held to respond to and evaluate SMUD's comparison of the SMUD Proposal and Design Team analysis. Continued analysis is required. SMUD's entitlement process and schedule for completion and its effect on the project's entitlement and schedule remain open issues.

The DGS is still unresolved as to SMUD's proposed charges. The proposed heating and cooling charges, while still higher than what DGS estimates, appears resolvable. The remaining fee proposed by SMUD is called a capacity charge. This charge is to amortize SMUD's capital costs and is based primarily on what project costs the DGS would avoid by accepting the SMUD proposal. To date, SMUD has not accepted our estimate. While discussions have produced agreements on several cost issues, other line items have escalated such that the net effect is not significantly changed. A final meeting is scheduled in October to resolve this issue.

Jul 99 The DGS received the formal SMUD proposal on April 20, 1999, and is reviewing it to determine its feasibility and cost benefit compared to the original solution

proposed by DGS. The DGS has had several meetings with SMUD to discuss its proposal. At the May 17, 1999, meeting, it was decided that the DGS would conduct an economic analysis based on the rates quoted in the proposed MOU. SMUD's entitlement process and schedule for completion remain open issues.

6. Life-Cycle Costs of Energy Efficiency Measures

The Committee recommends that when reviewing the costs of energy efficiency measures, DGS review them in terms of savings over the life of the building, and measures, rather than in terms of up-front costs. The Committee further recommends participants explore and identify other appropriate funding sources to augment the project funds. Among other things, these sources could include both public and private funds that are available for green building construction and sustainable design features.

Jan 00 **The DGS is in the process of developing a formula and the procedures to standardize the review of the life-cycle costs of energy-efficiency measures and building systems for this and other projects. Non-traditional methods of calculating life-cycle costs will also be considered. These methods include impacts to the environment, indoor air quality, occupant health and productivity, etc. Once the methodology is finalized and accepted by the DOF, it will be provided in this report.**

Oct 99 The DGS attended a presentation on life-cycle costing methodology by the CEC to the DOF on July 16, 1999. The presentation covered a general review of process, which included increased productivity considerations.

Jul 99 The DGS is required by law (Gov. Code, § 15814.30(c)), to determine what is "cost effective" by evaluating the savings over the life of the building or measure being considered. To ensure a consistent evaluation process, a life-cycle methodology was included in the contract documents submitted to the Legislature in December, 1998.

As noted, the DGS and others are analyzing energy efficiency measures in regard to savings over the life of the buildings. Full assessment of additional funding sources will occur upon consensus on the content of the criteria.

The issue of additional funding sources is tied directly to any measure that cannot be included in the project, because the first cost of a measure does not fit within the project's budget. Currently, we are evaluating a large number of recommendations that were received from the CEC, CIWMB, DHS, and ARB. Once analysis of the recommendations is complete, we can determine to what extent additional funding may be required. Participants in the Project Workgroup have agreed to present any items requiring additional funding to the State Public Works Board for consideration and approval of augmentation to the project's current budget, not to exceed the 10 percent augmentation specified in statute. The DGS and CEC will work with the DOF regarding alternative methodologies for life-cycle cost analysis.

7. Sustainable Design and Green Building Construction in the Issuance of RFQs and RFPs

The Committee recommends that DGS consult with CEC, CIWMB, ARB and DHS throughout the design-build process, in order to ensure compliance with articulated project goals, existing regulations, and the guidelines supplied by CEC and CIWMB.

- Jan 00** The project is currently in the contract negotiations phase. The DGS is working with the design/builders to address and incorporate those items from the proposals the state identifies as integral and essential to the project. The CEC, CIWMB, DHS, and ARB will continue in an oversight role during the development of the construction documents, construction, and occupancy.
- Oct 99** The project is currently in the RFP phase and the review process by the CEC, CIWMB, DHS, and ARB will shift to an ongoing consulting role. The East End design team will monitor the progress of the design builder's construction documents. Upon completion of the construction documents, a review with each agency will verify the proper inclusion of the agreed upon items. During construction, the agencies will be consulted regularly to evaluate changes and modifications to these construction documents and the progress of building commissioning.
- Jul 99** Weekly general meetings have been held with the CEC, CIWMB, DHS, and ARB and will continue through the selection process. Additional specific meetings will be called as required. At this point, the review process will shift to an ongoing consulting role. The East End design team will monitor the progress of the design/builder's construction documents. Upon completion of the construction documents, a review with each agency will verify the proper inclusion of the agreed upon items. During construction, the agencies will be consulted regularly to evaluate changes and modifications to these construction documents and the progress of building commissioning.

8. Green Oversight Mechanism

The Committee recommends that DGS, CIWMB, CEC, ARB and DHS develop an effective green enforcement mechanism of oversight and incentives to ensure compliance with articulated goals. This oversight mechanism would apply to the design-builder and DGS.

This mechanism should provide for review and input by the Department of Finance, the Legislative Analyst, the CEC and CIWMB to the Legislature through the budget process.

- Jan 00** The DGS, CIWMB, and DHS met on November 11, 1999, to discuss the oversight mechanism methodology that will be utilized during the construction phase of the East End Complex. The DGS will continue to work with the CEC, CIWMB, DHS, and ARB. While the DGS does not expect issues to arise affecting green issues during contract negotiations, the DGS has committed to discuss such issues with these agencies. Additionally, enhancements not included in the Design/Builders' proposals will be discussed as possible changes to the contract and will utilize the green oversight mechanism, as applicable.

- Oct 99* Consensus was reached as to the content of the criteria. The criteria were included in the Request for Proposal documents. The CIWMB is charged with developing the “green oversight mechanism” for final discussion and adoption.
- Jul 99* Once consensus as to the content of the criteria is reached, the roles for the green oversight mechanism will be developed. The LOU commits the DGS to work out a process to ensure compliance. The approach will depend on the particular items that are included in the project and the timing of additional funds that may be available.

During the contract documents review phase we are and will continue to refine the measures into requirements of the base building wherever possible. The instructions for the “enhancements” section of the proposals will include those measures that remain desirable and may be accomplished through inclusion as an enhancement.

In addition to the processes outlined above, we have and will continue our practice of briefing the DOF and LAO on the progress of the project. All these agencies receive copies of the monthly reports. The DGS has agreed to share the Quarterly Update documents to the CEC, CIWMB, DHS, and ARB prior to issuance. To formalize the relationship throughout the project, final documents submitted will include items of agreement, those in progress and those of disagreement.

9. DGS, CIWMB, CEC, DHS, and ARB Agreements

The Committee finds that DGS, CIWMB and CEC [DHS and ARB] agreed to the following:

- a. All participants will be actively involved in the tasks to establish the underlying qualification and proposal requirements to maximize the opportunities to incorporate sustainability and energy efficient measures, in the requirements for RFQs and RFPs.*
- b. All participants will be actively involved in the development of criteria for the evaluation of RFQs and RFPs.*
- c. All participants will be represented on the RFQ Evaluation Team(s), Procurement Team(s), and Technical Proposal Evaluation Team(s).*
- d. DGS will provide the CIWMB and CEC [DHS and ARB] with all requisite materials and timetables involved in the RFP and RFQ process according to the schedule discussed.*
- e. All participants will work together to develop a process to institutionalize a cooperative working arrangement for use in future state construction and design projects. SB 280 (Bowen) may be a mechanism for the institutionalization of this cooperative process.*

- Jan 00* **As this item is also discussed in items Nos. 2, 4, 6, and 7, it will no longer be addressed in future reports.**

- Oct 99* During this RFP evaluation phase, the DGS project directors experienced in major construction and the design/build process will represent the DGS. The project’s Master Architect and the Project Consultant and their respective sub-consultants will assist them. The energy efficiency and sustainable building measures category, which represents approximately 20 percent of the total scoring, will be evaluated by the respective agencies. All parties have been provided with the Evaluator’s Handbook, which includes established score sheets for the RFP evaluation phase.

- Jul 99* The DGS, CEC, CIWMB, DHS, and ARB have agreed and continue to work together for the betterment of the Capitol Area East End Complex project. All parties are actively involved in establishing the underlying qualification and proposal

requirements to maximize the opportunities to incorporate sustainable and energy efficient measures in the requirements of the RFQs and RFPs. In addition, all parties are actively involved in the development of the criteria for the evaluation of the RFQs and RFPs and will be represented in the RFQ evaluation process. Finally, all parties will continue to consult throughout the development process.

The evaluation criteria has been grouped into categories with the CEC, CIWMB, and DHS agreeing to evaluate submittals in the category on energy efficiency and sustainable building measures (this category represents approximately 20 percent of the total RFQ scoring). This evaluation will be combined with the other scores to determine the short-list for interviews. Similar evaluation by specific categories is envisioned for the RFP evaluation. At their request, representation on the teams has been left to the agencies.

Project directors experienced in major construction and the design/build process will represent the DGS. During technical evaluations, the design team on a consultative basis will assist them. As stated above, the energy efficiency and sustainable building measures category will be evaluated by the agencies. All parties will be provided with the Evaluator's Handbook; this includes established score sheets.

The DGS has provided all parties with the RFQ and RFP documentation and schedules.

10. Executive Complex

The Committee evaluated the feasibility of adding an Executive residence complex to the East End Project, noting the inadequacy of the current Executive residence and office spaces. The Committee found that the East End Project has progressed too far, in terms of both time and money spent, to delay the project for land use re-assessment.

The Committee recommends, therefore, the Legislature and DGS consider alternate sites for assessment as a possible Executive complex, including the California Department of Food and Agriculture Building on "N" Street, among other locations.

Jan 00 The Capitol Area East End Complex team is not involved in the assessment of possible sites for an Executive complex. Therefore, this item will no longer be addressed in future reports.

11. Transportation and Parking

The Committee finds that DGS should continue to reduce the negative transportation impacts and parking shortages created by the East End Project.

Jan 00 Nothing new to report.

Oct 99 Nothing new to report.

Jul 99 The DGS is continuing its efforts in this regard and will report on substantial progress when it is made.

12. Francis House Relocation

The Committee finds that Francis House performs a vital service to midtown Sacramento, as well as the county and the state, and has not previously requested public funding or taxpayer support. Given the unique situation of Francis House, the Committee recommends that every possible avenue to assist them in their relocation be explored by DGS, CADA and the City of Sacramento, including, but not limited to:

- a. *DGS has agreed to provide the Community with a report regarding DGS's ability to use bond expenditures to assist Francis House in their relocation efforts. Should DGS be legally permitted to do so, DGS should provide Francis House with funding to relocate.*
- b. *If it is found that DGS cannot expend bond monies to fund the Francis House relocation, DGS should provide Francis House with a suitable space in which to relocate. Those efforts should be detailed in the quarterly reports issued by DGS to the Committee.*

Jan 00 On October 5, 1999, Assembly Bill 883 (Ch. 625, Statutes of 1999) was approved by the Governor on October 10, 1999, providing project funds not to exceed \$120,000 to the Francis House for actual moving and related expenses. On November 15, 1999, the DGS approved the release of funds to the Francis House in the amount of \$100,000 to assist in the relocation to their new quarters at 1422 C Street, Sacramento. The remaining amount authorized by the legislation, \$20,000, will not be released at this time, pending their finalization of plans for parking and other improvements to their new facility. On December 13, 1999, the Francis House moved into their new quarters.

Oct 99 Assembly Bill 883 (introduced by the Committee on Rules) would allow for "payments for actual moving and related expenses, including obtaining new facilities...in an amount that may not exceed one hundred twenty thousand dollars (\$120,000)." This bill has been submitted to the Governor for signature.

Jul 99 The DGS is continuing to work with all parties to affect an equitable solution and meet the needs of those concerned.

13. Neighborhood Impacts

The Committee finds that projects of this magnitude when introduced into an existing neighborhood, should make efforts to maintain a pedestrian-friendly atmosphere, and directly in line with the ULF's recommendations, include consideration of after hours activities (and the potential lack of them) when formulating a design. Further, the Committee finds that mixed-use is a valuable means to maintain such an atmosphere, and recommends DGS continue to consider ways to include mixed uses in the project.

Jan 00 Nothing new to report.

Oct 99 Nothing new to report.

Jul 99 The DGS, the City of Sacramento, and CADA continue to regularly meet to discuss joint-use operating arrangements for the shared facilities of the project.

14. Periodic Monitoring of Recommendations

The Committee requests DGS to submit quarterly reports to assist in monitoring the progress of East End Project plans for the issues articulated above, including the issuance of RFPs and RFQs, measures to encourage energy efficiency and sustainability, the development of sufficient parking areas, the encouragement of alternative transportation, and to evaluate the use of the design-build process in order to learn from DGS' experience with its use on this project.

Jan 00 Pursuant to the reporting requirements of Government Code Section 8169.5, the report is submitted herein. This item will no longer be addressed in future reports.

Oct 99 Nothing new to report.

Jul 99 Report submitted herein. The DGS will continue to submit progress reports meeting the intent of AB 883 introduced this session by the Committee on Rules.

15. Project Enhancements

The Committee recommends that the Legislature consider a further augmentation for the East End Project to provide for additional housing, higher quality materials, enhancements to make the neighborhood more pedestrian friendly, and other mitigation measures.

Jan 00 Nothing new to report.

Oct 99 Nothing new to report.

Jul 99 As noted in Item 13, it is anticipated that the discussions with local government will help the DGS identify both statutory changes and funding needs that could benefit the community. Those items will be reported to the JRC.

The DGS will continue to work with the Legislature and other affected parties to help identify funding needs that could benefit the community and the Capitol Area East End Complex.

16. Significant Accomplishments and Schedule

The Letter of Understanding between the DGS, CEC, CIWMB, DHS, and ARB recommended this addition to the report.

Jan 00 **Project Schedule**

Major milestones are as follows:

Jan/98	Selection of Primary Consultants	Complete
Jul/98	PWB Approval of Block 224 Garage PPs	Complete
Nov/98	Award Design/Build Contract for Block 224 Garage	Complete
Nov/98	Complete PPs for Blocks 171-174 and 225	Complete
Dec/98	Submit Mandated Package to Legislature	Complete

**Capitol Area East End Complex
Cumulative Quarterly Report to the
Joint Rules Committee**

Dec/98	Block 224 Start Construction	Complete
Dec/98	Boiler Replacement – Award Design Contract	Postponed ^T
Dec/98	Off-site Utility Package – Award Design Contract	Postponed ^T
May/99	PWB Approval of PPs, Blocks 171-174 and 225	Complete
Apr/99	Boiler Replacement – PWB Review	Postponed ^T
June/99	Boiler Replacement – Start Construction	Postponed ^T
July/99	Off-site Utility Package – PWB Review	Postponed ^T
Sep/99	Off-site Utility Package – Start Construction	Postponed ^T
Jan/00	Award Design/Build Contracts for Blocks 171-174 and 225	Complete
Jan/00	Block 224 Garage – Complete Construction	On Schedule
Feb/00	Start Construction, Blocks 171-174 and 225	
TBD	Boiler Replacement – Complete Construction	
TBD	Off-site Utilities – Complete Construction	
Mar/03	Complete Construction/Occupy All Facilities	

^T Postponed due to ongoing discussions with SMUD on their proposal to supply district heating and cooling.

II. Comments from the CEC, CIWMB, DHS, and ARB

Pursuant to the Letter of Understanding between the DGS and CEC, CIWMB, DHS, and ARB, a draft of this report was provided to these agencies. Comments received to the draft report are provided herein.

<i>Jan 00</i>	Comments received from the CEC, CIWMB, DHS, and ARB are incorporated into this report.
<i>Oct 99</i>	No comments received.

EXHIBIT A

Selection Committee's Decision Executive Summary and List of Quality Enhancements

Capitol Area East End Complex

Executive Summary Selection Committee's Decision East End Design/Builders

SELECTION COMMITTEE SUMMARY

Blocks 171 - 174 Office Buildings

The Selection Committee's consensus choice for the Blocks 171-174 Office Buildings project is the Clark/Gruen design/build team. Second choice is the team led by Hathaway Dinwiddie Construction. DPR Construction led the third ranked team.

The Clark/Gruen team was ranked first overall by a narrow margin in the Technical Evaluation Committee report to the Selection Committee. The Selection Committee concurred with this evaluation citing the well-grounded presentation by Clark/Gruen. The depth of expertise and solid experience of the Clark/Gruen team, especially in public client work, was deemed superior. Other citations included the strength and depth of the on-site management team and the demonstrated superior expertise of the proposed curtain wall subcontractor. The proposed enhancements and quality for all systems proposed by Clark/Gruen were judged to provide the best value to the state. Clark/Gruen was forthright and committed to delivering the project pursuant to criteria and without conditions.

Clark/Gruen had a more thorough and comprehensive plan for community outreach recently demonstrated by their performance on the San Francisco Civic Center project. The Selection Committee concluded that the Clark/Gruen proposal was solid and represented the best value with less risk to the state.

Examples of proposed quality enhancements include increased energy efficiency, panelized exterior wall systems to minimize field joints, moment frame structural system with increased column spacing for better floor plan flexibility, solar heated domestic hot water system, and commitment to exceed the minimum landfill diversion requirements for demolition and construction waste.

Block 225 Office Building

The Selection Committee's consensus choice for the Block 225 Office Building project is the design/build team led by Hensel Phelps Construction Company. Second choice is the team led by Rudolph & Sletten Construction. J.R. Roberts Construction led the third ranked team.

The Selection Committee concurred with the Technical Evaluation Committee's preference for the Hensel Phelps/Fentress-Bradburn team. The Selection Committee cited a well-organized and comprehensive presentation that solidified this team's superior ranking. The overall experience and expertise of the proposed team and especially the architect's demonstrated expertise in complex window wall systems was deemed superior. The presentation and subsequent dialogue between Hensel Phelps, the architect, and the curtain wall subcontractor

indicated a commitment for a strong collaboration on this project. The Selection Committee also noted the experience and expertise of the architect, the superior strength and outstanding safety record of the general superintendent, and the qualifications and reputation of their energy consultant. Their proposal and presentation emphasized "deep green" and their team understood and seemed genuinely committed to "green" building measures.

Examples of proposed enhancements include significant increases in energy efficiency, commitment to higher recycling strategies, demonstration photo-voltaic and fuel cell systems, enhanced emergency power distribution system, increased useable square footage, enhanced indoor air quality, and extended warranties. Hensel Phelps' proposal offered the best enhancement package and provided the best value to the state.

Provided on the following pages is the Quality Enhancements each Design/Builder listed in their proposal for the Capitol Area East End Complex projects.

Blocks 171-174 Quality Enhancement Summary
Clark/Gruen Design/Build Inc.

ENERGY EFFICIENCY

Exceed T-24 energy requirements by over 30 percent

ARCHITECTURAL SYSTEMS

Panelize exterior system to minimized field joints

Refined roof drainage system

STRUCTURAL SYSTEMS

Provide moment frame system (eliminates braced frames)

More efficient structural grid – increase column spacing

High volume fly ash content in concrete

MECHANICAL SYSTEMS

Occupancy controlled VAV terminals in conference room, copy rooms, and offices

Exhaust air heat recovery

Optimizing the use of the Central Plant

Separate ventilation and cooling systems

Use BMS system to monitor adequacy of ventilation system

Utilize chilled water produced at central plant for drinking fountains

INDOOR AIR QUALITY

Provide separate air handlers for outside air vs. separate injection fans only

PLUMBING SYSTEMS

Solar heated domestic water system

ELECTRICAL SYSTEMS

K-13 rated transformer and 200 percent rated neutrals

Building ground ring

LIGHTING SYSTEMS

Programmable lighting scene panel in conference rooms

Consider use of T5 lamp technology

OPERATIONAL MEASURES

2-year warranty

FUNCTIONAL MEASURES

More efficient core and structural systems

Stacked wet risers

Block 225 Quality Enhancement Summary
Hensel Phelps Construction Co.

ENERGY EFFICIENCY

Increase energy efficiency 42 percent compared to Title 24. Energy cost savings are 36 percent

ARCHITECTURAL SYSTEMS

All major components of exterior enclosure are fully recyclable

Increased thermal performance of the exterior

Light reflecting roof system to minimize hot zones in urban environment

Enhanced acoustic performance of glazing and wall system

Minimized joint sizes

Increased usable square footage

Operable windows in restaurant area and designated building corners above the third floor with VAV boxes that turn off and notify maintenance personnel

Solar activated computer controlled rolling shades

STRUCTURAL SYSTEMS

Structural steel at the first floor to decrease construction time and provide a more flexible system for upgrades, expansions, etc.

Stiffer steel beams at floors to reduce floor vibration

Use 2-hour and 3-hour fire rated floor decks – eliminates fireproofing decking

More efficient structural grid

Eliminate braces at garage level to allow more efficient parking layout

Mat slab foundation system

High volume fly ash content in concrete

MECHANICAL SYSTEMS

Chillers located on the roof – reduced piping and energy costs. Additional 2-3 percent increase in sq. ft. (8,300 sq. ft.)

Built up fan rooms in penthouse on roof – reduces pumping costs and adding usable tenant space on first and second floors

Return shaft will be lined with sheet metal vs. return ductwork – reduce system static pressure and save energy

Propeller relief fans vs. centrifugal return fans – reduces fan horsepower

Parking level supply and exhaust systems vs. exhaust only

Condenser water provided by two heat exchangers tied into the main cooling towers

Secondary pumping of chilled water handled by three pumps each dedicated to its own coil bank

Occupancy controlled VAV boxes

Cooling coil banks with bypass dampers – reduce system static pressure when on economizer

INDOOR AIR QUALITY

Provide an elaborate program that monitors the indoor air environment for during construction and one full year after occupancy

Separate supply and exhaust air intakes by a distance of over 40 feet

Increase rate of outside air from 15 cfm to 25 cfm per person

Provide an elaborate program for the selection of building materials

ELECTRICAL SYSTEMS

Increase the emergency generator size to double the capacity as RFP

Full size feeder from the emergency distribution system vs. auto transfer switch at elevator bank

Recommend a transient voltage surge suppression system (TVSS) in the power distribution at the 120/208 V panel boards

Parking garage area will use 175w metal halide vs. fluorescent fixtures

ALTERNATIVE ENERGY STRATEGIES

Photo-voltaic system and demonstration fuel cell system

OPERATIONAL MEASURES

Provide a 2-year extended warranty for electrical and mechanical systems

Provide a 15-year extended warranty for proposed roof system

FUNCTIONAL MEASURES

Increasing the bicycle storage capacity

Identification of potential federal, state and industry grants for alternative energy systems, sustainable building design, and demonstration projects

WATER CONSERVATION

Gray water: capture surface rainwater run-off and lavatory water for irrigation

